Chapter 7. Classifications of director

This chapter assesses what a director is and the different types of director that exist. Section 250 of the Companies Act 2006 (CA 2006) provides that a director ‘includes any person occupying the position of director, by whatever name called’. A person validly appointed as a director is known as a de jure director, whereas a person who has not been validly appointed, but who acts as a director, is known as a de facto director. A shadow director is ‘a person in accordance with whose directions or instructions the directors of a company are accustomed to act’. Other types of director include executive director, non-executive director, and alternate director. Meanwhile, certain persons such as major shareholders or creditors may have the power to nominate a person to the board, and this nominated person is known as a nominee director. Many companies will appoint some of its directors to specific board roles.
7. Classifications of director